

The Complete Stay at Work Guide for Employers

Stay at Work: A financial incentive program that encourages Washington employers to find light-duty or transitional jobs for workers recovering from on-the-job injuries.





YOUR GUIDE TO:

- Who's eligible.
- How to apply for reimbursements.
- What paperwork is required.
- How employers and workers benefit.
- What you need from health care providers.
- Why Stay at Work is a "win-win."

Inside

- 1 If a job injury occurs, what should you do?
- 2 Stay at Work reimbursements encourage return-to-work strategies
- 3 Questions employers ask us about Stay at Work
- 4 What will Stay at Work reimbursements cover?
- 5 How do employers qualify for reimbursements?
- 6 How do employers apply?
- 7 What documents must employers include with a reimbursement application?
- 8 Q&A: Applying for reimbursements
- 9 Q&A: Eligibility requirements
- 10 Q&A: Provider restrictions and light-duty work
- 11 Q&A: Rates and Stay at Work
- 12 Q&A: Retrospective rating groups
- 13 Q&A: What injured workers may ask
- 14 Q&A: What health care providers may ask
- 15 Who do I contact if I have questions about Stay at Work?

1. If a job injury occurs, what should you do?

Stay at Work reimbursements could help your worker and your bottom line. The Department of Labor & Industries (L&I) can help.

It's just what you dreaded. Despite your best efforts to maintain a safe workplace, one of your employees is injured on the job and faces a lengthy recovery.

You're concerned about your employee and worried about suddenly losing a set of special skills your company depends upon — not to mention the cost of your workers' compensation insurance.

Time-loss benefits and your rates

Workers' comp claims involving time off work can drive up your rates. This is why many employers plan carefully by having a light-duty or transitional job program in place. If an injury occurs, they are ready to work with the doctor to make a safe and healthy return to light-duty or transitional work possible. This "early return-to-work" approach helps to speed the employee's recovery and reduces claim costs.

Early return-to-work "works"

In fact, the medical evidence supporting early return to work is so convincing, the Washington Legislature in 2011 voted to create a Stay at Work Program. Workers who are able to safely return to some kind of productive employment *before they are fully recovered* have faster recoveries and lower rates of long-term disability.

Now, L&I, through its Stay at Work Program, can directly reimburse employers for a portion of what they pay in light-duty wages and some expenses related to return to work.

This booklet explains how you can take advantage of the Stay at Work Program by planning ahead, knowing when you're eligible, and knowing how to apply.

We want to make it possible for your worker to have the best possible recovery. We also want to do everything we can to help make sure a worker injury has the least impact possible on your bottom line.

Protect Your Claim-Free Discount!

- **Employers qualify for a claim-free discount after three years without a "compensable" claim** (a claim involving time-loss benefits, loss of earning power benefit, or a permanent disability award).
- **The discount saves employers between 10 and 40 percent** from the base insurance rate for their risk class, depending on the company's size.
- **A single time-loss claim will eliminate the claim-free discount.** Losing the discount may be more costly than preventing time-loss (through return-to-work options) or keeping the injured employee on your payroll.

For more information:

Contact your account manager in the Employer Services section of L&I at 360-902-4817.

RETURN-TO-WORK SUCCESS STORY

Light-duty

An electrical contractor with a dedicated safety program arranged for an injured employee to do a light-duty job that involved compiling and updating information on locks and tags. The employee used the internet and called local contacts to gather information and identify new technology. The company incorporated what he learned into its lockout/tag out program.

2. Stay at Work reimbursements encourage return-to-work strategies

Workers' compensation claims involving time off work can drive up your rates. However, for the vast majority of claims, steps taken early can speed the employee's recovery and reduce claim costs.

What is "return to work"?

Return to work simply means helping your employee get back to work as soon as possible after a job-related injury or illness. For example, he or she could work shorter hours, perform different work temporarily or perform "light duty" until fully recovered.

Keeping your employee connected with the workplace is both good medicine and good business. Research has shown that effective return-to-work strategies promote a faster recovery and prevent a downward spiral into disability. Return-to-work options can take many forms and there are many resources to assist you.

Learn more about return-to-work

Website: www.Lni.wa.gov/ClaimsIns/Insurance/Injury/LightDuty

Employer's Return-to-Work Guide: www.Lni.wa.gov/IPUB/200-003-000.pdf

3. Questions employers ask us about Stay at Work

1. What is Stay at Work?

Stay at Work is a financial incentive program encouraging employers to bring their injured workers quickly and safely back to light-duty or transitional work by reimbursing a portion of the employer's expenses. Eligible employers may be reimbursed for 50% of the base wages paid to the injured worker and for some of the cost of training, tools or clothing the worker needs to do the light-duty or transitional work.

2. Why is L&I offering Stay at Work incentives?

Stay at Work incentives encourage employers to return their injured workers to light-duty or transitional work with the doctor's approval.

- This medical "best practice" can help the worker recover.
- It also can reduce costs for the employer.

3. What is considered light-duty or transitional work?

Light-duty or transitional work is work that is other than the worker's usual duties or usual work hours that meets the medical restrictions prescribed by the injured worker's health care provider.

4. What will Stay at Work reimbursements cover?

Stay at Work covers:

1. **50% of the injured worker's base wages for the light-duty or transitional work:**

- For up to **66 days** in which work was actually performed — per claim. (*Fewer than eight hours still counts as one day.*)
- Within a consecutive 24-month period.
- Up to \$10,000 per claim.

2. **Some expenses:**

If, because of the injured worker's unique needs, the employer must make a purchase so the worker can perform the light-duty or transitional work, Stay at Work may pay for the following:

- **Training fees or materials**, up to \$1,000 per claim
Example: Tuition, books, or supplies.
- **Tools** up to \$2,500 per claim
Example: Special wrench or keyboard tray.
- **Clothing** up to \$400 per claim
Example: Steel-toed boots.

Note: This can't be a cost the employer incurs when hiring other workers to do the same job.

5. How do employers qualify for reimbursements?

To be eligible for this program, the employer must meet the following:

- Be paying workers' compensation premiums to L&I. (*This program is not available for self-insured employers.*)
- Be the employer at the time of injury on the claim OR, for an occupational disease claim:
 - Be an employer whose experience rating is affected by the allowed claim because you once employed the worker, or
 - Be the last employer to employ the worker when the allowed claim was filed (even if the claim will not affect your experience rating).
- Before the worker begins work, give the worker's health care provider a description of the available transitional or light-duty work that clearly indicates the physical requirements for the work — before the worker begins the work.
- Have written approval of the light-duty or transitional work from the worker's health care provider.

An employer may be reimbursed for 50% of the base light-duty wages paid to the injured worker and for some of the cost of training, tools or clothing the worker needs to do the light-duty or transitional work.

How do employers benefit from Stay at Work?

It helps reduce employers' cost per claim.

- By reimbursing some return-to-work costs.
- By making it more affordable for employers to help and keep their trained workers.
- By helping workers recover faster.
- By reducing long-term disability and pension costs.

It promotes better health outcomes for injured workers.

- By improving the chance of a good recovery.
- By reducing the likelihood of a long-term disability.
- By helping workers preserve their foothold in a difficult job market.

- Continue any health care benefits the worker had, unless these benefits are inconsistent with the employer's current benefit program for workers.
- Apply within one year of incurring the eligible expenses.

6. How do employers apply?

Please visit www.Lni.wa.gov/StayAtWork to download an application.

Note: At this time, we are unable to accept email applications or attachments.

7. What documents must employers include with a reimbursement application?

For a wage reimbursement

L&I will need:

1. **Payroll information.** A copy of the payroll records and daily timesheets:
 - Documenting the hours worked, the type and amount of the base wage paid, each day, for the hours the worker performed the light-duty or transitional work.
 - Even if you normally don't keep track because your employee is salaried. *Note: To protect the confidentiality of your workers, be sure to remove all other employees' payroll information from the copies you send us.*
2. **The provider's description of the physical restrictions** preventing the worker from doing his/her usual work, such as the Activity Prescription Form or copy of a chart note.*
3. **A completed, light-duty or transitional job description** approved by the health care provider.*

You may use:

- The standard *Employer's Job Description* form available on our website: www.Lni.wa.gov/FormPub/Detail.asp?DocID=1684

Or

- The return-to-work job description your organization currently uses with L&I as long as the description includes the tasks and physical requirements of the work. Employers must also provide a copy of the description to the worker.

* You don't need to attach copies that are already in the claim file. You can view the claim file at www.Lni.wa.gov/Secure.

For an expense reimbursement (training, tools and clothing expenses)

L&I will need:

1. Dated, itemized receipts for the goods or services you purchased.
2. Provider's description of the physical restrictions. (Same as above.)
3. A completed, provider-approved light-duty or transitional job description (Same as above.)

8. Q&A: Applying for reimbursements

1. Do I have to use a particular pay period when I apply for wage reimbursement?

No. You can apply for any time period you choose. Instructions are on the form.

2. What is meant by base wage?

Base wages include wages paid for work actually performed at the light-duty or transitional work, and can include variations in hourly rate such as overtime or shift differential.

Base wages don't include tips, commissions, bonuses, board, housing, fuel, health care benefits (including dental and vision), per diem, reimbursements for work-related expenses, or any other payments. Also, base wages don't include pay for work not actually performed, such as holiday pay, vacation pay, sick leave, or similar payments or benefits.

Example: If during a period of light-duty or transitional work, you paid your injured worker \$10/hr. plus a \$25 daily commission for 20 hours of work over five days, Stay at Work would reimburse you 50% of the base wage of \$200 (20 hours x \$10 per hour = \$200). Your reimbursement would be \$100 and would not include the daily \$25 commission in the base wage.

3. Do base wages include overtime pay?

Yes, base wages can include overtime pay. For example, if during the light-duty or transitional work, the employee receives \$10 per hour, and works 8 hours at \$10 per hour, and 3 overtime hours at \$15 per hour, the base wages for the day would be \$125 (8 hrs. x \$10 + 3 hrs. x \$15). The employer could be reimbursed half, which is \$62.50. However, if the overtime conflicts with medical restrictions, the employer cannot receive any reimbursement for the day.

4. Do base wages include prevailing wage, shift differential, longevity pay, or higher pay for expertise?

As long as the amount is part of the worker's light-duty hourly wage or salary, it is included in the basic hourly wage or base salary.

Why consider Stay at Work?

- It may reduce your per-claim costs.
- It helps injured workers recover.
- It helps to lower the cost of workers' compensation.
- We've made it easy for you to apply.

5. Is there a difference between the base wage rate used for reimbursement for the Stay at Work Program and the wage rate used to calculate time-loss benefits?

Yes. The base wage used for reimbursement is the basic hourly wage or salary amount you pay your injured employee while he or she is performing light-duty or transitional work without any other additional compensation. The time-loss wage rate is used to *calculate time-loss benefits* for an injured worker and is based on the wage and benefits the worker was paid on the date of injury.

6. Why do I have to submit daily timesheets?

We can only reimburse for dates or hours actually worked, and not for holiday pay, vacation pay, sick leave, or other similar benefits.

7. My employee is a salaried worker and I don't keep track of the hours he or she works. What pay records do I need to submit?

During the light-duty or transitional work you will need to keep a record of the days and hours your employee worked.

We need these records because we cannot reimburse for any days your worker did not actually perform work. Also, if the provider limits your injured employee's work schedule while recovering, your records will confirm the employee's work was consistent with the provider's restrictions.

If you are unable to provide documentation of hours worked, we may deny your request.

8. My employee returned to modified work, doing most of her usual tasks but not all of them. Is that considered light-duty or transitional work?

Modified duty is considered transitional work. To qualify for Stay at Work reimbursements, you must ask the provider to approve your transitional job description, and the provider must approve it in writing.

Tip: When you submit your reimbursement form, include a brief explanation of how your worker's usual job was modified. This will help the Stay at Work adjudicator process your request faster.

9. What does Stay at Work consider to be "one day" of work out of the 66 maximum days eligible for wage reimbursement?

Here are the basic guidelines:

- A partial day worked counts as one day.
- One uninterrupted shift counts as one day worked, even if the shift spans a two-day period, such as a swing or graveyard shift.
- If the shift is less than eight hours in the day, it is still counted as one day of work.

Note: The days that you apply for reimbursement for light-duty or transitional work do not have to be consecutive.

10. How long do I have to apply for reimbursement?

For wages, you have 12 months from the date that your employee performed the light-duty or transitional work. For expenses, you have 12 months from the day you made a Stay at Work purchase for training, tools or clothing.

11. What happens if the light-duty or transitional work I'm offering my injured worker pays less than her usual job?

Your worker may apply to L&I for Loss of Earning Power (LEP) benefits if the light-duty or transitional work pays less than her usual job.

12. May I offer my worker light-duty or transitional work more than once during the course of the claim?

Yes, but in order to qualify for reimbursement, the light-duty or transitional work must be performed within the one, consecutive, 24-month time period and you must have written approval of the light-duty or transitional work from the worker's health care provider.

Example: Three different light-duty or transitional jobs were performed by the same worker between June 15, 2011, through June 14, 2013. You could potentially request reimbursement for wages, training, tools, or clothing during this period.

13. What if I decide to make the light-duty or transitional work permanent for this worker? May I still be reimbursed?

Yes, but only up to 66 days or up to the \$10,000 reimbursement cap — whichever occurs first in the claim.

14. I'm purchasing a training my injured worker needs to take before starting light-duty or transitional work. May I purchase this training before the work starts?

Yes, but you must make this purchase *on or after* the date you offered the light-duty or transitional job to your injured employee. The same rule applies to any other qualifying Stay at Work expense for which you want to be reimbursed.

15. If I or my staff provide in-house training to my injured worker, may I be reimbursed for the training time?

No, but you might qualify for reimbursement of any training materials, such as books you purchased, that were necessary for this particular worker to do the training for the light-duty or transitional work.

16. Can I be reimbursed for training costs if the only light duty my worker performed was to take a training course?

We can only reimburse training costs if the training was needed to enable your worker to perform a light-duty job. This means we

cannot reimburse you for training costs if the training is the only light duty performed. However, we may reimburse you for wages you paid your worker while taking the training.

17. What if my worker fails to follow through with the light-duty or transitional job I'm offering, or doesn't attend the training I arranged? May I still be reimbursed for my expenses?

Yes, if you bought the item in good faith after you made the job offer, kept the receipt and met all regular guidelines to qualify for reimbursement.

18. How will I know if my reimbursement request is allowed or denied?

The Stay at Work Program will let you know by mail.

19. If L&I denies my reimbursement request, may I protest?

Yes. If you disagree with a decision made by the Stay at Work adjudicator, you have the right to protest and/or appeal the decision in writing. You must send it to L&I within 60 days of the date on the order.

9. Q&A: Eligibility requirements

1. Will I qualify for Stay at Work reimbursements if I pay my employee by commission only for the light-duty or transitional work?

No, but you may decide to pay your employee a base salary during this period in order to qualify for reimbursement. You also may qualify for reimbursement for tools, training or clothing you purchased to enable your employee to do the light-duty or transitional work.

2. May I receive Stay at Work reimbursements for workers who were injured while working part-time or at a temporary/seasonal job?

Yes.

3. If I hired someone through the Preferred Worker Program will I be eligible for Stay at Work reimbursements?

Yes.

4. If I have a worker doing light-duty or transitional work who has more than one open and allowed claim, may I be reimbursed from each claim?

Yes, it is possible that you could receive reimbursements for an injured worker with more than one claim, providing you were the employer at the time of injury for both claims and the worker has medical

restrictions under each claim. However, L&I cannot reimburse you more than once for a day's work or for the same expense.

Example: You have an injured worker with a claim for a right-wrist sprain with an injury date of 7/10/2012. The same worker has a second claim for an 8/2/2012 right-shoulder sprain. You find light-duty or transitional work that does not require the use of the right wrist or arm, and this work is approved by the attending health care provider. You may apply to be reimbursed for 66 days of light-duty under the right-*wrist* claim *and* for up to 66 days of light duty under the right-*shoulder* claim. However, you may not be reimbursed for the same day twice.

5. Does Stay at Work apply to my worker's reopened claim?

Possibly, if you were the worker's employer at the time of the original injury and the worker is doing light-duty or transitional work pending the release to the job of injury and the reimbursement request falls within reimbursement limits.

6. I'm keeping one of my injured workers on salary while she recovers. May I be reimbursed for 50% of these wages?

Only if your worker is actually working light-duty or transitional work. The program reimburses only for work actually performed.

7. May I apply to be reimbursed for dates my worker received time-loss compensation?

No. A worker cannot receive wages for work performed *and also* be eligible for time-loss benefits. (If you become aware that your worker received time-loss for a date he or she worked, please contact the claim manager.)

8. I had to end my injured worker's health care benefits before he returned to light-duty or transitional work. Do I still qualify for Stay at Work reimbursements?

No. If your worker was receiving health care benefits on the date of the injury, you must continue any health care benefits the worker had unless — when the worker returns to light duty — these benefits are inconsistent with the employer's current benefit program for their workers.

9. Why must I get the provider's approval of the light-duty or transitional job description before I can qualify for reimbursement by the Stay at Work Program?

The law has always required the employer to give the provider a description of the light-duty work and to obtain the provider's approval. Stay at Work legislation did not change the law — the employer must first give the medical provider a description of the light-duty work so the provider can release the worker to do that work.

As soon as the provider indicates your injured worker has restrictions, ask the provider to review your light-duty job description. In this way, you can ensure the work is medically appropriate for your worker.

10. The health care provider isn't responding to my requests to review the light-duty job description. What can I do?

- Email us at StayAtWork@Lni.wa.gov or call 1-866-406-2482.
- Send us documentation showing the date you sent the job description to the provider for approval. If you choose to bring your worker back to work before you receive the approval, the date you sent the job description to the provider is the first date that will be considered for reimbursement. The provider must approve the job description before Stay at Work can reimburse you.

11. May I be reimbursed if L&I has not yet allowed the claim?

No. The claim must be allowed by L&I.

12. If the allowance of the claim is protested, may I still request reimbursement?

You may submit your request for reimbursement. However, we will not make a decision on whether your request may be allowed or denied until the protest is resolved.

13. If the claim is closed, can I still apply for reimbursements?

You may apply within one year of incurring the eligible expenses. However, we cannot reimburse you for dates worked or for expenses incurred after claim closure.

14. If the claim closed before the provider reviewed the job description, will you pay the provider's bill?

No. We cannot pay providers for services, including review of forms, after claim closure. For this reason, employers are encouraged to submit their light duty job description to the provider as early as possible.

10. Q&A: Provider restrictions and light-duty work

1. How will I know if my worker can perform light-duty or transitional work for me while recovering?

It will be up to worker's *attending health care provider* to approve the light-duty or transitional work you want to offer. To confirm that the job duties are within the worker's medical restrictions, you will need to give the attending health care provider a written job description that he or she can review.

2. Do I have to get the light-duty transitional job approved by the provider each time I request reimbursement?

No, as long as there haven't been any changes in the worker's restrictions or in the light-duty or transitional job duties.

3. If I need my employee to perform tasks that exceed her attending health care provider's restrictions, may I still be reimbursed?

No. The light-duty or transitional work performed by your employee must be within the attending health care provider's restrictions.

4. What if my worker performs work that exceeds the provider's restrictions?

You as the employer are responsible for supervising the worker, and you are not entitled to any reimbursement for any day the worker worked outside his or her restrictions.

5. May I switch my employee to *different* light-duty or transitional work?

Yes, but any changes to the light-duty or transitional work must be approved by the attending health care provider *and* you must send L&I this documentation. *Note: Give a copy of the light-duty or transitional work description to your injured worker as well.*

6. If the attending health care provider changes the worker's restrictions, will I need to submit a new job description to the provider for it to be approved?

Only if the provider has further restricted the worker's permitted activity.

7. What if the health care provider says my employee is able to do his usual job, but just not for as many hours per day? Is that considered light-duty or transitional work?

Yes.

8. Will L&I help employers identify light-duty or transitional work or a return-to-work program in their workplaces?

Yes. Contact our Stay at Work outreach staff:

Phone: 1-866-406-2482 *toll-free*
or 360-902-4411

Email: StayAtWork@Lni.wa.gov

Or

The Early Return to Work team in your region:

www.Lni.wa.gov/ClaimsIns/Insurance/Injury/LightDuty/ERTW/ContactUs

11. Q&A: Rates and Stay at Work

1. Will Stay at Work reimbursements increase workers' compensation premiums for employers?

No, this program is not expected to increase premiums. The Stay at Work premium rate *does* show in a separate column on your Rate Notice. The program is expected to lower time-loss benefit and long-term disability costs.

Of course, many other factors will affect individual employer rates and premiums from year to year.

2. Are Stay at Work premiums experience rated?

Yes. An employer's experience factor applies to the Stay at Work premiums, in addition to the Accident Fund and Medical Aid Fund premiums. (The experience factor does not apply to the Supplemental Pension Fund rate.)

Stay at Work reimbursements are NOT included in the claim costs used to calculate the experience rate or factor.

3. What if I don't use this program, do I still have to pay for it?

Yes. This is part of the workers' compensation insurance program and all employers insured through L&I must pay the premium whether or not they use the insurance benefits.

4. I have questions about payroll taxes as they relate to Stay at Work.

This information may be helpful: According to RCW 51.32.090(6), "Employers may collect up to one-half the [stay at work] fund assessment from workers."

For additional tax questions, contact your tax advisor. For additional rate questions, contact your L&I account manager.

Contact Employer Accounts

- **Mail:** Write your address change on the back of the quarterly report form or on the Online Filing report form and always include your account number or UBI number on every page:

Employer Services
Department of Labor & Industries
P.O. Box 44140
Olympia WA 98504-4140

- **Phone:** Call the Employer Services Help Line at 360-902-4817.
- **Fax:** Fax your address change to 360-902-4988.

12. Q&A: Retrospective rating groups

1. Will Stay at Work program costs be included in the retro adjustment calculations?

The premiums and costs of the Stay at Work Program will not be included in the retro adjustment calculations. Also, these costs are not charged to an individual employer for premium rating purposes.

2. Will use of this program affect the claim-type code?

No.

13. Q&A: What injured workers may ask

1. I'm an injured worker now receiving time-loss compensation as I recover. How will this affect my claim?

It won't affect the status of your claim. However, your entitlement to time-loss benefits may be affected if your employer offers you light-duty or transitional work.

For example, your time-loss benefits won't be continued *if* your employer offers you a light-duty or transitional job in writing *and* your attending health care provider agrees the job is within your medical restrictions.

2. What if I go back to work with my health care provider's restrictions and my employer changes my job duties?

Your employer may not place you at any job that requires you to perform activities that your attending health care provider has not approved. If this happens, you should contact your claim manager.

3. I received information from L&I saying they paid some money, but I didn't get a check. Why not?

This is a copy of a correspondence sent to your employer.

Stay at Work reimburses employers for part of the wages they paid you while you were doing light-duty or transitional work. When we send your employer a payment, we include correspondence explaining our decision and we mail you a copy.

If you didn't do light-duty or transitional work for your employer during the dates we reimbursed, please contact us in writing within 60 days of the date shown on your copy of the correspondence. We will then examine the facts and make a further decision.

14. Q&A: What health care providers may ask

1. Have any requirements or paperwork changed for health care providers because of the Stay at Work Program?

No, there are no changes to paperwork or billing procedures. The Stay at Work Program provides new incentives for employers, but does not change any of our existing policies or requirements.

However, it will be important for you to complete the work restriction section of the *Activity Prescription Form*. Because of this program, you may see more employers seeking your approval for your patients to be released for light-duty or transitional work.

2. If my patient thinks her employer has light-duty or transitional work, how can I help her return to work under the Stay at Work Program?

Discuss the benefits of early return to work with your patient and encourage her to contact her employer and claim manager. We will need you to confirm that the worker is unable to do her usual job and describe her physical restrictions. If the employer asks you to review and approve a light-duty or transitional job description, please respond as quickly as possible. It will benefit your patient and the service is billable. For billing codes, go to www.Lni.wa.gov/apps/FeeSchedules.

15. Who do I contact if I have questions about Stay at Work?

Stay at Work Program
Department of Labor & Industries
P.O. Box 44291
Olympia WA 98504-4291

Email: StayAtWork@Lni.wa.gov

Fax: 360-902-6100

Website: www.Lni.wa.gov/StayAtWork

Phone: 1-866-406-2482 *toll-free*
or 360-902-4411

Reminder: At this time, we cannot accept wage or expense reimbursement applications or attachments by email.

